THE CONEXUS ARTS CENTRE

ANNUAL REPORT

2005-2006

www.conexusartscentre.ca

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LETTER OF TRANSMITTAL

To Her Honour

The Honourable Lynda Haverstock

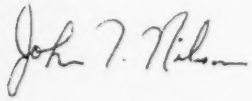
Lieutenant Governor

Province of Saskatchewan

May it Please Your Honour:

In accordance with Section 27(1) of the Saskatchewan Centre of the Arts Act, 2000 (Chapters S-10.1), I hereby submit the Thirty-Sixth Annual Report on the activities of the Centre for the period from April 1, 2005 to March 31, 2006.

Respectfully submitted.



Honourable John Nilson, QC

Minister in Charge

LETTER FROM THE CHAIR

The Conexus Arts Centre is pleased to submit the 2005-06 Annual Report. The Centre has had a very exciting year and has been very successful in contributing to the artistic, entertainment, educational and cultural diversity of communities in Saskatchewan in a fiscally responsible manner.

The business of attracting new private sector investment in a highly competitive market is a difficult one. In the past year, the Conexus Arts Centre was pleased to gain sponsorship from the Conexus Credit Union resulting in the facility name-change.

I am pleased to report that the wide variety of entertainment and convention/catering events saw approximately a quarter of a million patrons participate in one way or another at the Conexus Arts Centre this year.

The programming was certain to hit all age groups as our patrons enjoyed performances such as—The Regina Symphony Orchestra, Mamma Mia, Doodlebops, Blue Rodeo, Don Williams, BB King, Randy Bachman, Chicago and many more.

In addition to the diverse entertainment schedule, the Centre was host to a wide variety of fund raising banquets, award dinners, conferences, meetings, etc., including The Canadian Cancer Society Run for the Cure, Bridal Show, Sask. Energy, Regina Public Library, YWCA Women of Distinction Awards, Festival of Trees, Saskatchewan Centennial Committee, Sask. Judo, graduation banquets and ceremonies, major conferences, and many, many more special events and special memories.

On behalf of the Conexus Arts Centre Board of Directors, I commend the Centre staff for their hard work and dedication.

In accordance with Section 27(1) of the Saskatchewan Centre of the Arts Act, 2000 (Chapter S-10.1), I hereby submit the Thirty-Sixth Annual report on the activities of the Centre for the period April 1, 2005 to March 31, 2006.

Sincerely,

J.P.Ellson, Chair

BOARD OF DIRECTORS

JOHN PAUL ELLSON—CHAIR
BRYAN LEIER—VICE-CHAIR

THE HONOURABLE JOHN NILSON, QC
—MINISTER IN CHARGE

HARVEY ABELLS—REGINA
MYKE AGECOUTAY—REGINA
GLAYNE AXTELL—REGINA
LLOYD BOUTILIER—REGINA
LORI GAY GALLAWAY—ESTEVAN
GRAHAM HALL—MOOSE JAW
BILL HUTCHINSON—REGINA
DON LIST—REGINA
PHYLLIS MEWS—REGINA
DAN WELSH—REGINA

Committees of the Board of Directors:

FINANCE COMMITTEE
Lloyd Boutilier
J.P. Ellson—Ex-Offico
Bill Hutchinson
Bryan Leier
Dan Welsh
Don List
Jim McCrum—Staff Support
Pat Beanland—Staff Support

DONATIONS COMMITTEE
Don List
Glayne Axtell
Pat Beanland—Staff Support
Lynn Severt—Staff Support

PATRONS

Patrons
Council
Members

Conexus Credit Union
Jacqui Shumiatcher and the late Dr. Morris Shumiatcher

Doris and Charles Knight
Crown Life Insurance
Pepsi Bottling Group (Canada) Co.
SaskTel
Taylor Automotive Group

MANAGEMENT

Jim McCrum—Executive Director

Pat Beanland—Finance & Administration Manager
Brent Elsner—Sous Chef
Leo Pantel—Executive Chef
Colette Perras—Hospitality Services Manager
Jerry Senko—Operations Manager
Lynn Severt—Client Services Manager

Mission and Goals

MISSION

To enhance the quality of life for the people of Saskatchewan by providing exceptional facilities, programs and services for entertainment, educational and cultural activities in a cost effective manner.

GOALS

To provide quality facilities, programs and services for entertainment, educational and cultural activities.

To contribute positively to the artistic, entertainment, educational and cultural communities in Saskatchewan.

To engage in entrepreneurial activities to promote the use of the Centre.

To develop a positive relationship with government, media, public and all related organizations and individuals.

To promote arts and educational activities for all ages, with special attention to the youth, to ensure continual audience development now and in the future.

To provide opportunity for staff development in building a high level of morale and productivity.

To operate in a fiscally responsible manner.

To solicit funds in order to further the objectives of the Centre.

EXECUTIVE DIRECTOR'S REPORT

It has truly been a privilege for me to serve as Executive Director for another year and I welcome this opportunity to share the many successes we achieved in 2005/06, as well as the great opportunities we have to look forward to in the coming year and beyond.

I would like to give special thanks to the Board of Directors and staff for their hard work and dedication to the Conexus Arts Centre. Their commitment is evident in the top quality services provided by the Centre. I would also like to thank the Government and the people of Saskatchewan for the encouragement given to the management and staff of the Centre throughout the year.

2005/06 was another successful year for the Conexus Arts Centre. Our most noteworthy achievement of 2005/06 was our facility sponsorship agreement with Conexus Credit Union. In recognition of their generous donation, the name of the facility was changed to "The Conexus Arts Centre". It was definitely a year for improving relationships not only with our sponsors but also between the Centre, government, businesses and organizations throughout southern Saskatchewan.

It was an exciting year for the Centre. We were honoured to be a host facility for the Royal visit of Her Majesty Queen Elizabeth II and His Royal Highness Prince Philip, Duke of Edinburgh in May. We were busy with the 2005 Jeux du Canada Summer Games and were pleased to present the Centennial Concert Tour in cooperation with Casino Regina which toured the province. We were also proud to have been asked to provide catering and beverage services for the Labour Day Centennial celebration in the park. After an absence of many years Wintergreen came back to the Centre and we were pleased to be the host facility for this prestigious craft sale and show.

Our staff worked very hard to present a wide variety of arts and entertainment in our theatre. This year's line up featured 77 productions including The Broadway musical Mamma Mia, rock music, symphony, comedy, ballet, jazz, children's shows and country music.

In addition to the variety of entertainment events presented in our theatre, this year the Centre hosted 637 catering and convention events including, dinners, receptions, meetings, weddings, trade shows, conventions, graduations and fund raising events.

We continue to give a high priority to making decisions strategically, with long term implications in mind, while at the same time, acknowledging the role of the Centre within the community. We also continue to work diligently to find alternative sources of revenue to help us meet our ongoing challenges, and to provide the framework to continue to grow.

The next fiscal year promises to offer even greater challenges and opportunities. We look forward to once again meeting our goals and objectives while providing world-class entertainment and convention/catering services to the people of Southern Saskatchewan.

Respectfully submitted,

Jim McCrum,
Executive Director

WHO WE ARE

The Conexus Arts Centre is an Agent of the Crown responsible for providing facilities for entertainment, exhibition and the promotion and presentation of sporting, artistic, educational and cultural activities of a provincial, national or international nature. In addition the Centre is to provide catering and convention services. The Conexus Arts Centre achieves this through fair and cost-effective marketing..... delivered by employees experienced in many aspects of the hospitality industry.

As of March 31, 2006, the Conexus Arts Centre employed approximately 259 staff, with 24 being full-time. Approximately 180 employees are members of the Retail, Wholesale, Department Store Union (RWDSU) and 55 employees are members of the International Association of Theatrical and Stage Employees (IATSE) local 295.

The Conexus Arts Centre operates under The Saskatchewan Centre of the Arts Act, 2000, and works in partnership with a broad range of stakeholders and clients, including: the RWDSU, IATSE, Tourism Regina, Saskatchewan Property Management, Tourism Saskatchewan and the Saskatchewan Liquor and Gaming Authority (Please see Appendix B for an overview of the Centre's stakeholders and partners).

The Conexus Arts Centre is divided into four primary departments:

- Theatre: The Theatre department is responsible for the booking, marketing and delivery of arts and entertainment performances hosted at the Conexus Arts Centre. This department is also responsible for the Box Office services of the Centre, and its outlets.
- Convention/Catering: The Convention, Catering department, Client Services is responsible for booking, marketing and delivery of conventions, meetings, banquets, tradeshows and special events hosted at the Centre. This department is also responsible for the public relations and community information.
- Operations Department: This department is responsible for the maintenance of the building and equipment as well as the day to day operation.
- The Corporate Services and Human Relations Department: This department provides financial, administrative, procurement, information systems and audit support services to the organization. This department also provides organizational development, communications and human resource services to the Centre.

OVERVIEW

The Conexus Arts Centre provides facilities to over 1,500 clients ranging from local organizations and individuals to provincial, national and international clients.
The Arts Centre ensures that customer needs are met by offering wide and versatile convention and catering opportunities as well as providing flexible theatre services. The Catering and Convention department continues to place a greater emphasis on providing custom services and individualized menu options for clients.
The Catering and Convention department serviced 124,287 clients in 2005-06 at 637 events. Ninety-seven of these events were new events to the Centre. These events are broken down into the following categories: 16 were dances with total attendance of 4,583. 274 were meetings, seminars or conferences with attendance of 30,229. The Centre hosted 102 banquets with attendance of 16,825 guests. Breakfasts and luncheons totaled 18 with attendance of 8,039, 65 receptions were held with attendance of 5,757, trade shows numbered at 16 with attendance at 5,371, teas numbered 3 with attendance of 2,075 guests. Weddings, anniversary parties and funerals numbered 25 with 5,541 guests attending. Conventions numbered 13 with attendance of 9,332 and there were 72 other events that included 25,750 guests.

The Theatre department featured 77 performances in 2005-06 with attendance of 101,516 patrons. These events are broken down into the following categories: We hosted 10 popular shows with attendance of 11,418, 1 country performance with attendance of 1,006, 2 folk/ethnic/children's shows with attendance of 3,017. The Regina Symphony Orchestra presented 16 performances at the Centre with attendance of 25,868 guests. We hosted 2 gospel/religious events with attendance of 2,789. Jazz/band accounted for 3 performances with attendance of 933 guests. Rock shows accounted for 1 performance with attendance of 1,385 guests, 8 were dance/ballet performances with attendance of 7,348, 13 were graduation or convocations with attendance of 19,115. Ten performances were musicals with attendance of 15,036, 3 were opera/choral with attendance of 1,764, 8 were comedy/recitals with attendance of 8,997, 1 event was a convention or rally with attendance of 2,200 and 1 was a sporting event with attendance of 640.

The Conexus Arts Centre is proud to have hosted such a wide and versatile array of events and performances in 2005-06.

ANNUAL REPORT

The 2000-01 provincial budget address announced that the Government would be implementing a new Accountability Framework over the next few years, "giving Saskatchewan people solid reference points by which to judge the performance of their government". The continuing improvements in The Conexus Arts Centre's Annual Report are tied to the ongoing implementation of this broader initiative.

The Conexus Arts Centre's Annual Report serves three functions:

1. It contains information on the results for the goals, objectives and key actions which were published in our first Performance Plan which was released in the 2004-05 Annual Report.
2. It reports accomplishments for 2005-06; and
3. It outlines The Conexus Arts Centre's strategic direction for 2006-07 and beyond.

The Conexus Arts Centre is committed to reporting progress on its plan, and to enhancing accountability to the public and to its stakeholders. The Conexus Arts Centre's performance plan for 2005-06 and beyond included a series of planned actions for 2005-06 and a set of performance measures to be used to gauge progress. The Conexus Arts Centre has provided information on its results and measures for 2005-06.

The Conexus Arts Centre's 2005-06 Corporate Balanced Statement identifies the key outcomes that the Conexus Arts Centre is working to achieve and how these outcomes will help the Conexus Arts Centre meet its vision. The Balanced Statement is the result of an intensive planning effort and is a multi-year plan. The plan will continue to evolve over time and will continue to be reported in the Conexus Arts Centre annual reports.

PERFORMANCE RESULTS

This section provides detailed information on the key initiatives, major outcomes and specific results for The Conexus Arts Centre during the 2005-06 fiscal year with respect to our goals. Additional information about the Centre of the Arts strategic direction, including a complete review of its performance measures, key actions and objectives, is provided later in this report.

Goal 1: To provide quality facilities, and services for entertainment, educational, social and cultural activities.

Providing quality facilities and services is paramount to the Centre's success and therefore in 2005-06, The Conexus Arts Centre defined a range of key actions and initiatives that support this focus on continually updating and maintaining our facility and improving our customer service.

Maintenance of Facility: The Saskatchewan Centre of the Arts continues to refine the maintenance plan to resolve any outstanding issues. We continue our negotiations with Saskatchewan Property Management to review the Centre's preventative maintenance and on-going maintenance program. The west boiler has been totally retubed due to substandard piping being installed in the 2000 renovation. All piping has also been changed and a review is being done by Saskatchewan Property Management. The fire pumps have been rebuilt and some electrical upgrades have been completed. The Centre refurbished the front office washroom and board room to accommodate for the Queen's visit in May. By working closely with the Chief Engineer the catering department has found cost effective ways to upgrade existing equipment as an option to replacement. We installed new Gator belts and bearing system in our cooling tower which will save approximately 20% on the electrical costs and reduce the maintenance. We installed six new chemical pumps which now feed all chemicals for water treatment equally and accurately. Due to corrosion on the west side piping we had to repipe the entire west side of the heating loop. This project also incorporated the replacement of valve packings and actuator replacement. Both of the Centre's transformers received an extensive maintenance program. We are continuing our energy conservation initiatives and have replaced an additional 84 lighting fixtures to T-8 format. We have reconfigured and expanded our freezer space and increased freezer capacity by approximately 1000 cubic feet. The Conexus Arts Centre met with Saskatchewan Property Management in the third quarter of 2005-06 to work on the re-negotiation of the building lease. SPM expects to have a lease draft early in the new fiscal year. We purchased a new lighting system in the fourth quarter. This upgrade will allow us to use the same lighting software as most of the industry and allow us to program a more

cost effective way to use current light. The Centre purchased 300 used chairs and 10 round tables for 10, 40 round tables for 8 and 50 long tables.

Technology: Initiatives for fiscal year 2005-06 include: Negotiations continued with Microflex to upgrade the Microflex Box Office System and we began negotiations with Admissions. We continue to monitor the Centre's telephone systems to ensure maximum efficiencies and continue to up-date the web-site building upon strong client responses to email notifications and online show announcements. The Centre continues to develop the technology plan for the conference areas. Phase one of the high speed wiring has been completed.

Customer Service/Knowledge Training: The Conexus Arts Centre continues to provide training programs and seminars including a staff team building day and publishing information on Centre standards and practices in the bi-monthly newsletter. We acknowledge our customer service excellence through our newly developed employee recognition program, The Spotlight is on you. Work has been done to up-date many of the departmental training manuals.

Goal#2 To contribute positively to the artistic, entertainment, educational and cultural communities in Saskatchewan.

The Conexus Arts Centre strives to develop additional ways to contribute to the entertainment, educational and cultural communities in Saskatchewan. The Centre set objectives to continually improve on this critical component of The Conexus Arts Centre's direction.

Donations Policy: The donations policy was reviewed by a Board committee consisting of Don List, Glayne Axtell and management team members, Pat Beanland and Lynn Severt.

Programming Plan: In order to support provincial non-profit organizations through sponsorship initiatives the Centre developed a programming plan which contracts and presents events in collaboration with promoters, producers and sponsors. Some of the events the Centre co-promoted or sponsored in the fiscal year 2005-06 included: Big Brothers, YWCA, India Canada – Regina Chapter, Indian Community Awareness Program, Hindu Temple, Breast Cancer Action Saskatchewan, Sask, Sports Hall of Fame, Ranch Ehrlo, United Way, Regina Rescue Mission, Regina Police ½ Marathon, Regina Boxing Club, Canadian Federation of Bodybuilders, National Ukrainian, New Dance Horizons, Tourism Sask. Gala, Women Entrepreneurs of Sask., Alzheimer Society of Saskatchewan, Sask. Prayer, Cougars Women's Basketball, Regina Public Library, Luther College Golf Classic, Regina

Symphony Orchestra, Regina Food Bank. Philippine Association., Judo Saskatchewan, Regina Symphony Orchestra, Arts Stabilization, SHEA Awards, Nurses Christian Fellowship, Opera Saskatchewan, Telemiracle, Hockey Regina, Sky Dive South Saskatchewan, SARM, Regina Women's Network, Optimist Band Festival, Ranch Ehrlo, Globe Theatre, Saskatchewan Sport, Sportsfest, Junior Achievement of Saskatchewan, Look Good Feel Better, Lonsdale Boxing Club, South Sask. Youth Orchestra, English Students Association and Sask. Prayer Breakfast.

Youth: The Centre's goal of working with schools land associated educational organizations to create opportunities for youth to perform or attend arts and educational events at the Centre was a priority again in 2005-06. This included arranging for a tour for Greenall High School Special Needs Students – 14 students in wheelchairs were given a tour of the stage area as well as the Green Room and Theatre Lobby, we worked with Opera Saskatchewan to invite 190 students from Regina Public and Separate Schools as well as Luther High School and Notre Dame to attend Opera Saskatchewan's presentation of "Grand Ole Opera." We worked with the Clinton presenters to arrange for youth to meet former President Clinton. We also worked with House of Blues to provide 12 inner city children from Rainbow Youth Centre to attend Canadian Idol.

Entertainment/Promotion: The Centre continues to strive to present a wide variety of entertainment programming. The Centre presented Randy Bachman through our Impresario Fund this fiscal year.

Centennial Concert Tour: To further contribute positively to the artistic, entertainment, educational and cultural communities in Saskatchewan the Centre produced the 2005 Saskatchewan Centennial Concert Tour. This event, funded by Casino Regina and produced by the Conexus Arts Centre featured Tom Cochrane as well as a number of Saskatchewan entertainers and visited four communities in Saskatchewan to celebrate Saskatchewan's Centennial.

New Relationships: We are pleased to have developed a partnership with Conexus Credit Union, a like-minded community driven company. Through the generous sponsorship contribution from Conexus, the Centre will be able to revitalize our world class facility. The revitalization will assist the Centre in the development and advancement of arts and culture opportunities for communities throughout Saskatchewan. Together with the ongoing support of the community, our partnership with Conexus represents an important step in keeping the Arts Center an active, viable home for the arts for years to come. The rejuvenation of the Conexus Arts Centre will provide improvements to the theatre's sound and lighting systems, replacement of it seats and other complimentary enhancements to better serve its patrons.

Goal 3: To engage in entrepreneurial activities to promote the use of the Centre.

The Centre continues to work with various groups to present as many activities at the Centre as possible. In 2005-06 our objective was to work with at least 6 new organizations.

New Events: New events booked in 2005-06 included: The International Shriners Convention, Drug Strategy (Regina/Qu'Appelle Health), Cochrane Engineering, Harding, Boss, McLeod Services, Sask. Film Poole, TCU Financial, Junior Achievement, Adrel Steel, Official Languages of the RCMP, Industrial Alliance and Canadian Society for Safety Engineering. Sportsfest, Chinese Cultural Society, CIBC , Caps, English Students Association, SGI, RQHR, PSC, Conexus Credit Union, New Dance Horizons and India Canada, Regina Funeral Home, Wildlife Dinner, Learning Disabilities, Habitat for Humanity, Conquest Regina Boys Club, Bayer Health Care, ISC, Paul Martin Communications, Ranch Ehrlo 40th Anniversary, Waking up to Life, Sask. Health, TD/Canada Trust, Nana Mouskouri, A Night of Improv, Rawlco, Hindu Temple, Canadian Diabetes Association, Leboldus High School, Friends of the Wascana Marsh, Ranch Ehrlo Conference, Court of Queens Bench, Former President Bill Clinton, City of Regina Managers Office, Conquet Regina, Elizabeth's Concert of Hope, Aladdin, David Copperfield.

Other Opportunities: The Centre continues to aggressively pursue the wedding business as well as individual departments within organizations who are currently clients. We continued to review our client base and focus on clients who no longer host their events at the Centre, determining the best way to draw these clients back to the Centre. We continued to use marketing opportunities including room rental specials, Christmas features and cold calls. In 2005-06 we developed a new menu package reflecting our new logo and updated pricing.

Goal 4: To develop a positive relationship with government, media, public and all related organizations and individuals.

A key part of the Conexus Arts Centre's role focuses on developing positive relationships with the community. Key activities in 2005-06 included:

Community Participation: The Conexus Arts Centre was very active in various Regina and Saskatchewan organizations and groups in 2005-06. Representation included membership in: Saskatchewan Tourism Education Council, Regina Chamber of Commerce, India Canada Association, Regina Women's Network, Saskatchewan Recording Industry Association, The Better Business Bureau of Saskatchewan, Executive Club, Society of Canadian Authors, Composers and Publishers, RREDA—Film, Television, Interactive, Media Cluster, Canadian Club, Saskatchewan Arts Stabilization Board, Canadian Culinary Federation, University of Regina Alumni,

CARAS—Canadian Academy of Recording Arts and Sciences, International Special Events Society, Western Canadian Music Alliance, Hockey Regina, Chili for Children, Tourism Saskatchewan, Saskatchewan Chef's Association, Regina YWCA Women of Distinction Awards Gala Committee, Regina Transition House and others.

Community Profile: We continued to work at enhancing The Conexus Arts Centre's profile within the community. We continued to be involved with many community groups and organizations including: Taste of Spring, Chili for Children, Saskatchewan Arts Stabilization The Most Incredible Bridal Show, Wascana Partners Association, Tourism Regina, Saskatchewan Tourism Education Council, Regina Food Bank and other events deemed feasible. The Centre provided sponsorship for the Canadian Cancer Society's Relay for Life event, worked with Conexus Credit Union on sponsorship of free hot dogs and drinks for the Centennial Weekend in Wascana Park, worked with CIBC Run for the Cure to provide sponsorship, provided sponsorship during the National Drowning Prevention Week program offered at one of the core area swimming pools, the Centre also provided on-going support to non-profit groups such as Carmichael Outreach and Souls Harbour.

Key Stakeholder Relationships: In order to best provide measurable results in developing positive relationships the key stakeholders have been segregated:

The Government: The Conexus Arts Centre plays a key role serving as the voice of the public to the Government—municipal and provincial. In that role, the needs, concerns and issues, as well as the accomplishments are conveyed to the various departments. We also act on behalf of the government to ensure that we become better advocates of the arts through our relationships with elected officials and government staff.

The Media: We continued to develop our relationship with the media throughout 2005-06. In 2005-06 we formed a working partnership with Regina Community Radio as well as working with small market radio stations and print media. *We began researching other media outlets including Saskatchewan Weekly newspapers and met with local radio and TV representatives to review marketing opportunities.*

The Public: In 2005-06 we continued to provide feedback information forms to our clients and began sending out questionnaires via email. We also attempted to raise public awareness and credibility. We used various mediums to accomplish this including internet, email, newspaper, direct mail and public relations type events. We continue to review the duty manager reports at weekly management meetings. Client Services continues to follow up with clients in person or by telephone following events. We undertook consultation with promoters and re-

search of other venues to ensure that we are competitive in our pricing, and our mission to maintain the highest possible level of customer service to our clients.

Mark in the Community: The Conexus Arts Centre developed a new marketing plan in 2005-06 which includes a situation analysis, audience development including change management, building audiences, marketing demographics, consumer spending research in Canada ,Convention and Catering executive summary, trends and objectives, barriers to our goals, theatre initiatives, competitive analysis, product analysis, marketing strategy, financial objectives, tactical marketing programs, need for marketing organization and contingency planning. Client Services also met with some marketing consultants from various Regina companies to gain insight into the best ways to market the Centre and how we can work together. We also formed a Marketing Committee which meets weekly. This committee identifies new opportunities to develop our marketing and increase our visibility in the community. The results of these meetings are reported to the Management team at the weekly management meetings. A new menu package was produced featuring our new logo, name and new pricing. This was completed following research into the pricing at all other comparable venues in Regina. We also continued to offer various random draws from our web site as well as special deals for members of our on-line community. Another example was the partnership between the Conexus Arts Centre and Conexus Credit Union to provide complimentary food and beverage at the Saskatchewan Centennial Event held in Regina in September.

Goal 5: To promote arts and educational activities for all ages, with special attention to the youth to ensure continual audience development now and in the future.

We continually improve our programming for youth and seniors. We have developed new programs specifically designed to provide opportunities for these audiences.

Subsidy Program: We continued in 2005-06 to provide tickets, when available, for theatre performances through Rainbow Youth Centre to Inner City Children. We also worked with the Regina Inner City Youth Program to provide assistance when available.

Youth: The Conexus Arts Centre once again participated in the Week in Wascana program. The Conexus Arts Centre was pleased to work with Opera Saskatchewan to provide tickets to the Opera to Regina and area High School students. The Conexus Arts Centre has identified the need for children's programming and through communication with various promoters we presented two performances of The Doodlebops in 2005/06 and booked three other children's programs for 2006/07. We continue to encourage promoters to book children's entertainment at the Centre. We also worked with the public and separate school boards, dance schools, Regina Lions Band and music schools to identify new opportunities including working with a number of dance schools and organizations to provide a cross section of ethnic dance for the MP

Reception presented by Heritage Canada in conjunction with the Summer Games in August. We also met with Conexus Credit Union to investigate opportunities for their Partner Schools to tour the Centre and participate in functions at the Centre. We were also pleased to work with Scott Collegiate in Regina to sponsor their Arts Festival in March. The festival was developed to assist Scott in raising money to purchase musical instruments for the school.

Seniors: We were pleased to work with Saskatchewan Senior to once again present The Senior's Fun Day in September.

Goal 6: To provide opportunity for staff development for building a high level of morale and productivity.

Employees are the key resource of the Conexus Arts Centre. As of March 31, 2006, The Conexus Arts Centre employed approximately 248 staff, 24 of these being full-time. As a provider of service, The Conexus Arts Centre's staff are critical to ensuring the organization's success in meeting and exceeding customer's needs and being successful as a business in a competitive marketplace.

The Conexus Arts Centre is committee to providing a positive, healthy and safe workplace for it's employees. The Centre has also identified "developing the overall capacity of it's employees" as a key strategic objective for the organization. A number of initiatives have been developed which are designed to develop employee's skills and ensure the organization has the capacity to meet strategic outcomes, including enhancing customer service and overall productivity. Developing leadership skills also helps ensure the Centre can address long-term human resource challenges including retention, career planning and succession planning. Key achievements in staff development, morale and productivity include:

Partnership with RWDSU and IATSE: The Conexus Arts Centre management continued to build upon the foundation of the strong working partnership it has developed with The Retail Workers Department Store Union (RWDSU) and the International Association of Theatrical and Stage Employees (IATSE).

Leadership Training: Centre staff continued to attend training and leadership development in their various fields of expertise. In 2005-06 many management and staff attended various courses including: Supervisor's Course for Operations, International Special Event Seminar, Labour Arbitration Seminar, Master of Negotiations Seminar, International Association of Auditorium Managers – Facilities Managers Conference, First Aid, WHIMIS and others. Training manuals were completed in several areas this year including bar, catering and front of house.

Succession Planning: Succession planning continued to be considered. Some succession planning was implemented in the catering area where several retirements took place this year. The Theatre Service position was revised to better utilize some of our existing staff skills which will enable the Centre to replace the position with a more focused approach to Marketing/Community Development.

Pay Equity Plan: The Pay Equity Study continued throughout 2005-06. Job questionnaires were completed, job ratings set and staff were forwarded their rating level. Organizational structure has been completed. A Job Equity appeal committee was established and appeals heard. It is expected that this process will be completed prior to fall of 2006-07 and that equity will be created within the workplace.

Personnel Policy Manual: The annual review of our personnel policy manual resulted in developments including a code of conduct and training orientation document which is reviewed and signed by all new employees. The Centre also developed a Vehicle Policy in 2005-06.

Goal #7: To operate in a fiscally responsible manner.

This goal reflects the Centre's commitment to sound financial management and overall financial accountability. An important part of achieving this goal lies in aligning The Conexus Arts Centre's strategic goals with it's financial planning and budgeting processes.

Review on current status: The Finance Committee continued to meet regularly to review the Centre's financial results. Catering and bar departments continued to do an extensive quarterly inventory to track food and liquor costs as well as to identify cost saving opportunities. Price changes, stock levels and specialty items are also monitored. We also reviewed and revised the event Profit and Loss forms to more accurately account for all expenses and revenues. The Centre is continually searching for opportunities to operate more efficiently and reduce costs. An example is the significant savings recently achieved through the renegotiation of our credit card and debit card rates. Research and comparative evaluations were done on catering prices and new menu packages reflecting additional costs were produced while remaining competitive within our industry.

Goal #8: To solicit funds in order to further the objectives of the Centre.

Due to increasing costs the Centre is required to actively solicit funds in order to meets the goals and objectives of the Centre.

Corporate Sponsorship Campaign: The Centre was pleased to secure sponsorship from Conexus Credit Union as a major sponsor. The Knights have committed to a Patrons membership with the Centre. With the renaming of the building the Centre will be able to address building signage and many other major capital issues. The Centre was successful in leasing one additional arts board to Casino Regina. Conexus took three arts boards with their sponsorship.

SERVING COMMUNITIES

Theatre Statistics

Totals—Events—Attendance

77 101,516

Convention Statistics

Totals-Events-Attendance

637 124,287

SERVING COMMUNITIES

The Theatre once again played host to a wide variety of events in 2005-2006.

APRIL 2005

National Ukrainian Dance

Regina Symphony Orchestra—Emotion on a Major Scale

Alexis on Fire

Royal Winnipeg Ballet—Cinderella

Can Dance—New Dance Horizons

Blue Rodeo—with Matt Mays

Tony Martin—CD Release

Regina Catholic School Band—30th Anniversary

MAY 2005

Ken Goff Memorial Boxing

Regina Symphony Orchestra—Ode to Joy

Regina Symphony Orchestra—Warm Prairie Night

O"Neill High School Concert

Saskatchewan Express Recital

Sangerfest-German Choral Festival

Lions Band—Jazz Night

Dance Plus—2 Performances

Youth Ballet Recital (2 Shows)

SERVING COMMUNITIES

June 2005

A Night of Improv

Danskapades '05—Martin School of Dance
2 Performances

Sampradaya Dance Creations—India Canada

July 2005

Regina Symphony Orchestra—Scottish Fiddle Orchestra

Michael W. Smith

August 2005

National Artists Program

Mamma Mia—2 Performances

September 2005

Mamma Mia—6 Performances

Senior's Fun Day

African Cultural Festival

Queen—Tribute

Yellowcard

Regina Symphony Orchestra—From the Old to the New World

SERVING COMMUNITIES

October 2005

Don Williams

George Jones

Regina Symphony Orchestra—True Jive Pluckers

Regina Symphony Orchestra—Themes & Variations

BB King

Royal Winnipeg Ballet—Dracula

Randy Bachman

November 2005

Regina Symphony Orchestra - National Arts Centre Orchestra

Just for Laughs

Chicago—2 Performances

Regina Symphony Orchestra—Fire and Ice

December 2005

Regina Symphony Orchestra—Holiday Magic

Rita MacNeil

Regina Catholic School Christmas Concert

Stuart McLean

New Year's Eve Gala Cabaret

SERVING COMMUNITIES

JANUARY 2006

Regina Symphony Orchestra—Here comes the sun

Regina Symphony Orchestra—Natalie Choquette

FEBRUARY 2006

Regina Symphony Orchestra—Classic Six Pack

Opera Saskatchewan—A Night of Grand ol Opera

Canadian Idol

MARCH 2006

Telemiracle

Bill Clinton

Regina Symphony Orchestra—The RSO Goes to the Oscars VII

Doodlebops—2 Performances

Regina Symphony Orchestra— Mozart Festival Part I

Regina Symphony Orchestra—Mozart Festival Part II

Tanya Tucker

Lonsdale Boxing

MANAGING RISK

RISK

Risk Management is key to protecting business interests and future viability. The Conexus Arts Centre is exposed to many different risks in its dual role as a self-financing Theatre and Convention, Catering Business and a representative for the Provincial Government in their commitment to Culture.

The first concern of the Board of Directors and senior management is strategic risk. Failure to properly execute strategy to meet the needs of our clients and the mandate set by the government can dramatically impact the corporation's business. Without an appropriate overall business strategy, the Centre's other interests could be compromised as well.

Therefore, the Centre has identified major risks and potential barriers to success and developed strategies to ensure that these risks and barriers can be addressed by timely identification, assessment and prioritization of risks. We continue to review the management practices at The Conexus Arts Centre and to identify gaps in current risk management practices.

LISTEN TO WHAT OUR PATRONS ARE SAYING

"Everyone I spoke with were exceptional" *Look Good Feel Better, Darlene Olsen (March 26, 2006)*

" Great Service." *Helen Anne Designs, Helen MacDonald, (October 6, 2005)*

"Staff were very helpful at all stages of planning. Set up crew on the Sunday morning were likewise very helpful. We had a great event." *Ron Hopkins, Regina Philharmonic Chorus (April 9, 2005)*

"Your staff are amazing!!! It is so great to be treated with respect and to have everyone work so hard to make things run smoothly. Great staff who are extremely helpful." *Golden Mile Productions, Shelley Bader, (October 6, 2005)*

"Staff was very pleasant and went out of their way to accommodate us." Wedding (September 10, 2005)

"The staff were very accommodating and helpful, even suggesting alternative ways of handling some unexpected situations. We appreciate the patience and understanding given to us by your staff." Saskatchewan African Canadian Heritage Museum, Christine Lwanga, (October 7, 2005)

"Unfortunately we didn't get her name, but the employee that served our lunch was great—very accommodating and a wonderful sense of humor." Public Service Commission, Karen Ware, (September 14, 2005)

"Excellent customer service.." Regina Business and Professional Women

LISTEN TO WHAT OUR PATRONS ARE SAYING

"Previous experiences have all been super–that's why I keep coming back. Leo and his staff are both imaginative visually and scrumptious in taste. All staff are terrific. Efficient. Pleasant and they make the dinner that much more enjoyable. Thank you all." Jacqui Shumiatcher, (October 31, 2005)

"Client Service staff are excellent to work with. Reliable and very knowledgeable." Regina Chamber of Commerce, Karen Smith (October 31, 2005)

"The best place in Regina to host this event. A wonderful location and truly exceptional staff." X-L Enterprises, Darci and Darren Lang (Bridal Show, October 2005)

"Head Chef, Leo is always pleasant and accommodating no matter how busy he is. As usual, all other staff were helpful and cooperative." Collectors Club, Noretta Finn (October 28, 2005)

"All details are followed through. The staff are wonderful if anything needs to be changed it is done quickly." IE Accessories, Irene Deck, (October 31, 2005)

"Wedding Planner is a pleasure to deal with. " Wedding (December 30, 2005)

"All staff were wonderful and a great asset to your beautiful facility." *Solvera Solutions, Sheri-Dawn Robinson, (November 8, 2005)*

"Great support from the staff—makes my job much easier." *Saskatchewan Association of Rural Municipalities, Kristina Lang, (November 7-0, 2005)*

LISTEN TO WHAT OUR PATRONS ARE SAYING

"Staff make a particularly positive impression. Provide consistently good service." University of Regina, Bev Liski (October 31, 2005)

"Client Service staff are always patient with questions, always ready to help. Day of event everyone was pleasant and accommodating. Thank you." Osteoporosis Canada, Carolann Louttit (November 6, 2005)

"As always, a pleasure. Everyone was fabulous. Thanks." Taylor Volkswagen Audi, Dallas Taylor (November 9, 2005)

"Catering supervisor was great. Went over details, worked around our schedule when we were early or late." Apprenticeship Commission, Vi Mohr, (December 15, 2005)

"All staff were very courteous." Lions Sight, Wilf Ortman (December 7, 2005)

"Everyone was very pleasant and willing to help when asked. Supervisor even played the piano during the meal—we appreciated that very much." City of Regina, Rhonda Schutzman (January 31, 2006)

"Staff were most helpful and pleasant to deal with. Even handled my last minute demands with courtesy and grace. Very much appreciated." *Information Technology Office, Tracy Poitras (November 29, 2005)*

"It was a wonderful morning, plenty of food and an abundance of variety. Thank you again." *Women's Bible Discussion Group, Gloria Daum, (December 3, 2005)*

CORPORATE BALANCED STATEMENT AT A GLANCE

Below is a summary of The Conexus Arts Centre 2005-06 Balanced Scorecard, including its vision, mission, guiding principles and key goals. Our goals articulate the key outcomes that the Conexus Arts Centre seeks to achieve in advancing its vision. The section below provides a detailed overview of our objectives, key actions and performance measures.

The Conexus Arts Centre Vision:

The vision describes the ideal state to which the organization strives:

- Customer Service Excellence
- Progressive business operations and fiscal responsibility
- Support of Cultural Organizations

Guiding Principals:

Integrity: We will be honest, fair and trustworthy in our activities and relationships.
Social Responsibility: We will conduct our operations in a manner that balances revenue and social responsibility
Fiscal Responsibility: We will conduct our operations in a fiscally responsible way.
Accountability: We will be accountable to the Saskatchewan people for our actions, decisions and performance.
Open Communication: We will communicate and consult internally and externally in an open, direct and respectful manner.
Mutual Respect: We will be respectful in our interactions, based on fairness, equity and openness, and
Diversity: We will value people and their differences.

Conexus Arts Centre's Goals:

Goal 1: To provide quality facilities, programs and services for entertainment, educational and cultural activities. Meet the expectations of customers by providing a quality facility and providing exceptional customer service by courteous, knowledgeable staff.

Goal 2: To contribute positively to the artistic, entertainment, educational and cultural communities in Saskatchewan. That the Conexus Arts Centre operate as "The Town Hall" being accessible and affordable with a focus on local, non-profit organizations.

Goal 3: To engage in entrepreneurial activities to promote the use of the Centre. Continually improve our business through entrepreneurial activities promoting the use of the Centre.

Goal 4: To develop a positive relationship with government, media, public and all related organizations and individuals. Develop a positive relationship based on integrity and industry knowledge.

Goal 5: To promote arts and educational activities for all ages, with special attention to the youth to ensure continual audience development now and in the future. Meet the expectations of our customers by providing a variety of arts and educational activities for all ages.

Goal 6: To provide opportunity for staff development for building a high level of morale and productivity. Provide a positive and healthy environment for our employees which values diversity and encourages continuous learning and mutual respect.

Goal 7: To operate in a fiscally responsible manner. Be fiscally responsible and accountable in support of provincial financial objectives.

Goal 8: To solicit funds in order to further the objectives of the Centre. To solicit funds to proceed with capital programming costs.

WHERE WE ARE HEADED, WHAT WE INTEND TO DO AND HOW WE WILL MEASURE PROGRESS

The following section of Conexus Arts Centre's Balanced Statement is intended to provide more detailed information about The Conexus Arts Centre's plan for the future and what the Conexus Arts Centre will do to achieve its strategic direction. This section describes in greater detail what the Conexus Arts Centre's objectives are, why they are important, and what the organization intends to do to achieve them by specifying a number of key initiatives. This section also provides information that will help us to determine whether or not we have been successful in meeting the objectives defined by our Plan. In order to do this The Conexus Arts Centre has presented a number of performance measures that provide information about specific outcomes identified in the Balanced Statement.

In 2006-07, The Conexus Arts Centre will continue to refine its strategic direction and report on results. The success of The Conexus Arts Centre's plan depends on the support and skill of its employees, in addition to the support of stakeholders, partners and the public.

Goal #1 To provide quality facilities, and services for entertainment, educational, social and cultural activities.

Initiatives:

A. To monitor operations including maintenance, security, engineering, utilities and cleaners and follow outlined procedures for effective management and supervisory procedures for the operations of each area.
B. Annually review in conjunction with the Department of Property Management the Centre's preventative maintenance and on-going maintenance program. This plan should clearly outline areas of responsibility and related costs.
B. Continue to refine the maintenance plan.
C. Renegotiate building lease with Saskatchewan Property Management (formerly SPMC)
D. Maintain an active OH&S Committee.
E. Upon completion of Lease negotiations develop long range renovation plan with Dept. of Property Management to ensure the Centre is able to access sufficient funds to address physical and code deficiencies that exist within the Centre.
G. Review and revise long range capital plan to ensure costs are accurately allocated in the budget planning process.
H. Continue with the Theatre fly system maintenance program.
H. Repair rigging system
I. Work with SPM to have the theatre lobby windows replaced.
J. Purchase risers.
K. Research and develop a plan to replace theatre seats.
L. Renovate Green Room and replace furniture.
M. Purchase two hot trucks.
N. Work with SPM to have carpet replaced in the convention level.
O. Upgrade CBO ticketing system.
P. Replace backstage flooring.
Q. Continue with computer replacement program.
R. Replace one of the Centre's main computer servers.
S. Install lighting for exterior tower.
T. Purchase ATM.
U. Purchase battery operated vacuums
V. Install pylon signage for CAC.
W. Work with SPM to have front ramp driveway replaced and rewire outside front electrical outlets.
X. Replace older theatre lighting fixtures.
Y. Continue to explore the possibility of exterior tower lights and audio.
Z. Maintain an active technology committee.
AA. Purchase new round tables (15)
BB. Continue Stage drape replacement program—cycm scrim, legs
CC. Promote the guest excellence philosophy of the Centre through internal communications and training programs and seminars.
    - SCA will issue the Staff newsletter every two months.
    - Promote The Spotlight is on You employee recognition program.
    - Maintain the Catering, Bar and Front of House Training Manuals to ensure they meet the needs of the individual departments and work with departmental leads to ensure the Centre's staff continue to provide first

class service.

- Host an SCA Team Building Day.
- Continue to certify SCA staff in First Aid as required.
- Hold Bi-annual staff meetings to develop and maintain consistency in terms of technique, expectations and services provided.

FF. Continually evaluate the services provided to ensure the Centre is meeting and exceeding client expectations.

GG. Monitor client questionnaire responses to ensure that the Centre is achieving an overall 90% or better, good to excellent rating by clients. Review weekly at Management meetings and report quarterly to the Board.

- Wherever possible the questionnaires will be emailed to the Client within two days of the event in order to allow greater feedback from our clients

HH. Purchase new podiums.

II. Progress with power factor correction.

JJ. Upgrade floor machine and various cleaning equipment.

KK. Refurbish or replace ticket receptacles

LL. Continue monitoring and perform additional testing on building transformers.

MM. Renovate Alberta Room to accommodate Marketing position.

NN. Complete all changes for interior signage (Conexus)

OO. Create a viewing suite from the projection room

Goal #2 To contribute positively to the artistic, entertainment, educational and cultural communities in Saskatchewan.

Initiatives:

A. To support provincial non-profit organizations through sponsorship initiatives and report initiatives at weekly management meetings.

B. Provide and promote educational tours by offering tours through a communication piece with local schools to be distributed by May 30th.

C. To use our website to provide information about the Centre, including community events and information and to continue to update information.

D. Distribute our events schedule throughout Saskatchewan through Print Media and direct mail on an event basis.

E. Work with schools and associated educational organizations to create opportunities for youth to perform or attend arts and educational events at the Centre. Report on opportunities and initiatives at weekly management meetings.

F. Client services will provide information on all public events to be included in our web site on an event by event basis.

G. In order to meet our community profile requirements, each Client Services representative will be involved in a minimum of one community organization and report on their involvement in their weekly sales reports to the Client Services Manager.

H. We will participate in a minimum of one additional trade show in 2006/07.

I. We will undertake a major survey of theatre and convention/catering patrons to determine their expectations from the Conexus Arts Centre. The survey will be distributed beginning no later than May 30th and all survey results will be correlated no later than October 30, 2006.

J. We will become more involved in community events in southern Saskatchewan by providing use at no charge to events use of an amusement game we have purchased beginning in July 2006.

K. We will continue to update information in MySask.com to inform the public of events being held at CAC on an event by event basis.

L. We will research the possibility of creating a Arts and Entertainment tradeshow and present a recommendation to the management team by June 1st, 2006.

Goal#3 To engage in entrepreneurial activities to promote the use of the Centre.

Initiatives:

A. Expand our audiences and activities by encouraging organizations to use the Centre through various Marketing and P.R. activities.
B. To actively pursue promoters to continue making the CAC their preferred choice for facilities in Regina.
B. Provide the results of sales plan to facilitate opportunity for business to be reviewed bi-weekly at Management Meetings and reported quarterly to Board.
C. Report quarterly to the Board the results of the programming plan which contracts and presents events in collaboration with promoters, producers and sponsors.
A. Develop a new marketing plan including a marketing campaign specific for community relations. Report quarterly to the Board. Plan to be finalized within 30 days of the Board's Strategic Planning Session.
E. Make significant improvements to internet marketing strategies.
F. Develop a system for monitoring and responding to developments in entertainment, arts and cultural sectors in co-operation with our new Marketing Coordinator.
G. Develop the Annual Report to focus on the critical aspects of performance and to ensure that the information is presented in a manner that is understandable to all interested entities.
H. Encourage Management and Staff to be involved in the community, through involvement in community organizations. The SCA management will be required to be involved in at least one outside community organization and report involvement to the management team.
I. Work with various organizations to develop tradeshows.—on-going.
J. We will target a minimum of 5 major events held elsewhere to entice them to use our facility for their event.
K. We will direct market to all members of the Regina Chamber of Commerce and Tourism Regina a minimum of twice in 2006/07.
L. We will develop a minimum of two new promotional opportunities targeted to increasing revenue during our slow times.
M. We will keep our book of Saskatchewan (Regina area) events which are held at other facilities current and use this to target potential clients.
N. We will work on developing a minimum of one new CAC sponsored event.
O. We will work with other Regina facilities to create a Festival in 2006/07.
P. Identify marketing opportunities through Conexus branches and online resources.

Goal #4 To develop a positive relationship with government, media, public and all related organizations and individuals.

Initiatives:

A. Interact with potential user groups as opportunities present.
B. Review and improve direct communications with the community and government through on-line newsletters and direct correspondence.
C. Develop a theatre survey to determine our patrons perception of the Centre. Distribution of this survey will begin no later than May 30th.
D. Work in partnership with Conexus Credit Union to implement reciprocal marketing plans.
E. Develop a marketing department with a focus on Public Relations and community perception.
F. Articulate the intention of the Conexus Arts Centre to be prominent in and accessible to the community.
G. Assess the needs of the community and respond by facilitating programming.
H. Annual review and up-date the publicity and promotions plan designed to enhance the Centre's profile in the community and ensuring that a consistently high awareness level is maintained with the public. Report quarterly to the Board.
I. Develop contacts with potential media partners in other markets to assist in expanding our market reach. Communication to take place in early fall with report to the management team by the end of December.
J. Develop a closer liaison with the user groups through creating and facilitating opportunities for usage.
K. Management will attend events at other Regina facilities to compare location, décor, food quality and service and report on attendance at the weekly management meetings.

Goal #5 **To promote arts and educational activities for all ages, with special attention to the youth to ensure continual audience development now and in the future.**

Initiatives:

A. Continue to develop sponsorship with local business to provide a subsidy program to ensure under- privileged youth have access to Centre events.
B. Ensure programming plan includes family and youth events, while being fiscally responsible and minimizing our risk.
C. Work with schools and associated educational organizations to create opportunities for youth to perform or attend arts and educational events at the Centre.
D. We will research the Inner City Youth Foundation and determine how the Conexus Arts Centre can best enhance and participate with Conexus Credit Union.
E. To continue to offer facility tours and dress rehearsal access wherever possible to school groups and organizations.

Goal #6 **To provide opportunity for staff development to building a high level of morale and productivity.**

Initiatives:

A. Provide for a continuous flow of ideas and communications among Board, Management and Staff.
B. Schedule and hold regular management meetings.
C. Define and assign responsibilities and parameters for each department within the Centre.
D. Review organizational structure.
E. Update task analysis and job descriptions.
F. Complete and implement results of a Joint Job Evaluation program.
G. Maintain an updated personnel policy and an employee handbook.
H. Review and implement incentives and reward systems as necessary.
I. Promote the Spotlight is on You Program.
J. Promote a professional/staff development program. Maintain relationship with staff that allows and promotes discussion regarding the development of staff as well as the services they provide.
K. Monitor a training program for staff.
L. Encourage a social committee for staff. CAC encourages staff activities by subsidizing a portion of the costs of employee events when attendance is more than 25% of the social club membership.
M. Staff Newsletter – Produce every second month.
N. CAC to attend Career Fairs to encourage youth to consider the Centre as a place of employment. Goal to attend minimum of 2 career fairs.
O. Monitor Benefits Package.
P. Complete negotiations with both RWDSU & IATSE. Both contracts have expired and both unions are waiting to see the results of the pay equity study.
Q. Maintain active succession planning committee.
R. Provide Point of Sale Training for all bar and concession staff.
S. Develop policies and implement same for Point of Sale System.
T. Develop and maintain a relationship with temporary employment agencies to augment staffing needs as required.
U. Continue First Aid Certification program as well as Public Access Defibrillation Training to ensure all security staff and Duty Manager's have current certification.
V. Work with members of the Wine & Spirits Assoc. and Saskatchewan Tourism Education Council to promote product knowledge with our staff regarding beverages served at the Centre.

Goal #7 To operate in a fiscally responsible manner.

Initiatives:

A. Ensure stringent fiscal controls through competent administration and finance committee review procedures.
B. Maintain spot inventory program.
C. Centre management to evaluate and approve each and every expenditure to ensure the best value is being received for money spent. Ensure proper tendering practices are followed where applicable.
D. Budget for long term equipment needs of the Centre in order to provide quality services to clients. Review and prepare five year capital plan.
E. Review and analyze operations in the food and beverage departments with the objective of decreasing our cost of sales and improving our deployment of manpower without jeopardizing quality. Closely monitor product costs and percentage margins to ensure costs are maintained.
F. Maintain staff scheduling plan in order to reduce overtime cost.
G. Client Services will review the pricing policies of other facilities and present them bi-annually to the management team
H. To continue to find a balance between fulfilling our programming plan and maintaining fiscal responsibility, while attempting to compete with other facilities (Casino Regina, Exhibition Park) for the relatively small number of shows that we can access in our market.
I. Prepare annual budget.
J. Review investment options.
K. Ensure financial statements are available in a timely manner for Board review.
L. Produce annual report per Provincial Audit recommendations.
M. Provide financial information to board as requested.
N. Complete negotiations with RWDSU and IATSE and sign CBA's.

Goal #8 To solicit funds in order to further the objectives of the Centre.

Initiatives:

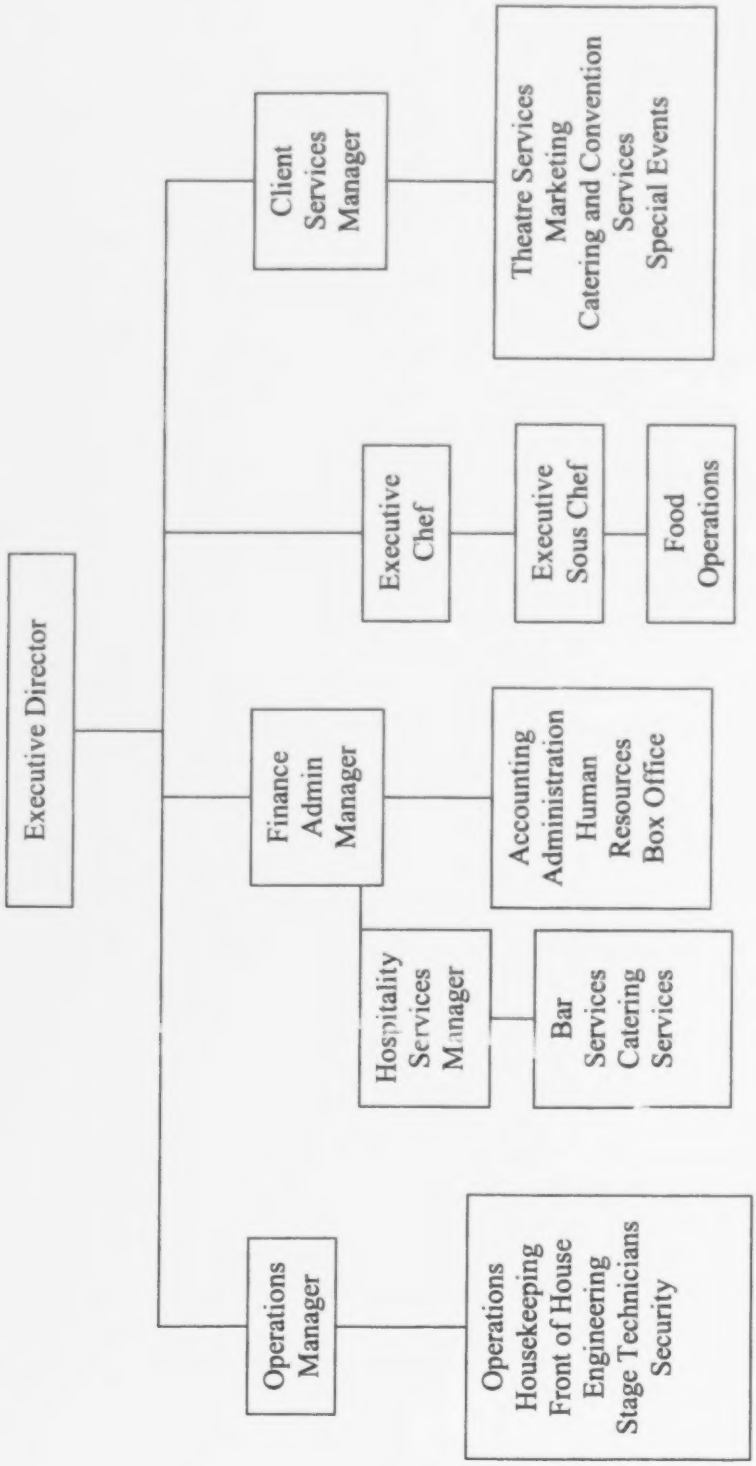
A. Develop and implement a corporate sponsorship program to solicit funds for specific events.
B. Redesign patron's program in order to attract a minimum of six new members this fiscal year.
C. Establish an agreement of responsibility with Dept. of Property Management for the CAC's structure to ensure that adequate funds are available to maintain and improve the facility.
D. Solicit name sponsorship for the theatre and main convention hall.

WHERE TO OBTAIN ADDITIONAL INFORMATION

If you have any questions or comments about The Conexus Arts Centre Balanced Statement, or if you have specific questions about the programs and services provided by The Conexus Arts Centre please contact:

The Conexus Arts Centre
200A Lakeshore Drive
Regina, Saskatchewan
S4S 7L3
www.conexusartscentre.ca
Email:
sca.admin@conexusartscentre.ca or
client.services@conexusartscentre.ca
Phone: (306) 565-4500
Fax: (306) 565-3274

APPENDIX A
Conexus Arts Centre Overview of Centre Operations



APPENDIX B
Summary of The Conexus Arts Centre's Partners and Stakeholders

Non-Profit Clubs and Organizations: This group consists of ethnic associations, service clubs, sporting clubs, dance schools and others.

International Association of Theatrical And Stage Employees (IATSE): All theatrical aspects of the Centre are done through members of this union.

Retail Workers Department Store Union (RWDSU): The majority of our service employees at the Conexus Arts Centre are members of this union.

Saskatchewan Property Management: SPM is the owner and a key stakeholder of The Conexus Arts Centre.

Conexus Credit Union: As our major sponsor Conexus Credit Union and The Conexus Arts Centre are dedicated to working together to facilitate programming to promote arts and culture in Regina.

Canadian Restaurant and Foodservices Association (CRFA) (Saskatchewan Division)
The CRFA has approximately 600 members in Saskatchewan.

Tourism Saskatchewan
Tourism Saskatchewan promotes tourism throughout Saskatchewan

Saskatchewan Tourism Education Council
Saskatchewan Tourism Education Council (STEC) provides training and certification for the tourism and hospitality industry.

Tourism Regina
Tourism Regina promotes tourism and conferences in Regina

Canadian Federation of Chefs and Cooks
National organization governing Chefs and Cooks

Society of Composers, Authors and Music Publishers of Canada
Society of Composers, Authors and Music Publishers of Canada (SOCAN) ensures copyright laws are adhered to.

The Conexus Arts Centre
Management Report—March 2006

The Conexus Arts Centre—Management Report—March 2006.

The management of the Conexus Arts Centre is responsible for the integrity of the accompanying financial statements and all other information in this Annual Report. It is the responsibility of management to prepare financial statements in accordance with generally accepted accounting principles in Canada.

The accounting systems used by the Centre include an appropriate system of internal controls to provide reasonable assurance that:

- transactions are authorized.
- The Centre's assets are properly kept and financial reports are properly monitored to ensure reliable information is provided for preparation of financial statements and other information.
- The accounts are properly kept and financial reports are properly monitored to ensure reliable information is provided for preparation of financial statements and other financial information;
- The Centre has complied with authorities.
- And that the Centre operate in a fiscally responsible manner.

Management is responsible for providing reasonable assurance to the Board that the Board's financial information satisfies standards of validity and reliability. The Board reviews financial information prepared by management and discusses relevant matters with management.

The Provincial Auditor of Saskatchewan examines the Centre's system of internal control, compliance with authorities, and financial statements. A copy of the Provincial Auditor's opinions on internal control, compliance with authorities and financial statements are enclosed.

The financial statements have been examined and approved by the Board.

Jim McCrum
Executive Director
June 2006

Pat Beanland
Manager, Finance and Administration

AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

I have audited the Saskatchewan Centre of the Arts' (Centre) control as of March 31, 2006 to express an opinion as to the effectiveness of its control related to the following objectives.

- To safeguard public resources. That is, to ensure its assets are not lost or used inappropriately; to ensure it does not inappropriately incur obligations; to establish a financial plan for the purposes of achieving its financial goals; and to monitor and react to its progress towards the objectives established in its financial plan.
- To prepare reliable financial statements.
- To conduct its activities following laws, regulations and policies related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing.

I used the control framework developed by The Canadian Institute of Chartered Accountants (CICA) to make my judgements about the effectiveness of the Centre's control. I did not audit certain aspects of control concerning the effectiveness, economy, and efficiency of certain management decision-making processes.

The CICA defines control as comprising those elements of an organization that, taken together, support people in the achievement of the organization's objectives. Control is effective to the extent that it provides reasonable assurance that the organization will achieve its objectives.

The Centre's management is responsible for effective control related to the objectives described above. My responsibility is to express an opinion on the effectiveness of control based on my audit.

I conducted my audit in accordance with standards for assurance engagements established by The Canadian Institute of Chartered Accountants. Those standards require that I plan and perform an audit to obtain reasonable assurance as to effectiveness of the Centre's control related to the objectives stated above. An audit includes obtaining an understanding of the significant risks related to these objectives, the key control elements and control activities to manage these risks and examining, on a test basis, evidence relating to control.

Control can provide only reasonable and not absolute assurance of achieving objectives reliably for the following reasons. There are inherent limitations in control including judgement in decision-making, human error, collusion to circumvent control activities and management overriding control. Cost/benefit decisions are made when designing control in organizations. Because control can be expected to provide only reasonable assurance and not absolute assurance, the objectives referred to above may not be achieved reliably. Also, projections of any evaluation of control to future periods are subject to the risk that control may become ineffective because of changes in internal and external conditions, or that the degree of compliance with control activities may deteriorate.

In my opinion, based on the limitations noted above, the Centre's control was effective, in all material respects, to meet the objectives stated above as of March 31, 2006 based on the CICA criteria of control framework.

Regina, Saskatchewan
June 16, 2006

Fred Wendel, CMA, CA
Provincial Auditor

AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

I have made an examination to determine whether the Saskatchewan Centre of the Arts (Centre), complied with the provisions of the following legislative and related authorities pertaining to its financial reporting, safeguarding public resources, spending, revenue raising, borrowing and investing activities during the year ended March 31, 2006:

The Saskatchewan Centre of the Arts, 2000
Orders in Council issued pursuant to the above Act
The Financial Administration Act, 1993, Section 46(1)(a)
The Tabling of Documents Act, 1991

My examination was made in accordance with Canadian generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, the Centre has complied, in all significant respects, with the provisions of the aforementioned legislative and related authorities during the year ended March 31, 2006.

Regina, Saskatchewan
June 16, 2006

Fred Wendel, CMA, CA
Provincial Auditor

SASKATCHEWAN CENTRE OF THE ARTS

FINANCIAL STATEMENTS

For the Year Ended March 31, 2006

Provincial Auditor Saskatchewan

1500 Chateau Tower
1920 Broad Street
Regina, Saskatchewan
S4P 3V2

SASKATCHEWAN

Phone: (306) 787-6398
Fax: (306) 787-6383
Web site: www.auditor.sk.ca
Internet e-mail: info@auditor.sk.ca

AUDITOR'S REPORT

To the Members of the Legislative Assembly of Saskatchewan

I have audited the statement of financial position of the Saskatchewan Centre of the Arts as at March 31, 2006 and the statements of operations and changes in fund balances, and cash flows for the year then ended. The Centre's management is responsible for preparing these financial statements for Treasury Board's approval. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Centre as at March 31, 2006 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Regina, Saskatchewan
June 16, 2006

Fred Wendel, CMA, CA
Provincial Auditor

SASKATCHEWAN CENTRE OF THE ARTS (CONEXUS ARTS CENTRE)
STATEMENT OF FINANCIAL POSITION
As at March 31

	2006				2005
	Operating Fund	Campaign Fund	Impresario Fund	Total	Total
ASSETS					
Current:					
Cash	$ -	$ 2,032,870	$ 413,285	$ 2,446,155	$ 694,186
Accounts receivable (Note 3)	368,497	-	-	368,497	180,505
Inventory	62,516	-	-	62,516	64,637
	431,013	2,032,870	413,285	2,877,168	939,328
Property, plant and equipment (Note 4)	134,876	5,511	-	140,387	95,662
Total Assets	$ 565,889	$ 2,038,381	$ 413,285	$ 3,017,555	$ 1,034,990
LIABILITIES AND NET ASSETS					
Current:					
Due to (from) other funds (Note 10)	$ 641,878	$ (641,878)	$ -	$ -	$ -
Accounts payable and accrued charges (Note 3)	665,715	-	-	665,715	317,295
Advance sales and deposits	482,845	-	-	482,845	826,801
	1,790,438	(641,878)	-	1,148,560	1,144,096
Fund balances:					
Invested in property, plant and equipment	134,876	5,511	-	140,387	95,662
Externally restricted (Note 8)	-	2,614,749	-	2,614,749	562,583
Internally restricted (Note 9)	-	59,999	413,285	473,284	387,222
Unrestricted	(1,359,425)	-	-	(1,359,425)	(1,154,573)
Total Fund balances (Statement 2)	(1,224,549)	2,680,259	413,285	1,868,995	(109,106)
Total Liabilities and Fund Balances	$ 565,889	$ 2,038,381	$ 413,285	$ 3,017,555	$ 1,034,990

(see accompanying notes to the financial statements)

SASKATCHEWAN CENTRE OF THE ARTS (CONEXUS ARTS CENTRE)
STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES
For the Year Ended March 31

	General Funds							Restricted (Note 8)	
	Operating Fund			Impresario Fund		Total		Campaign Fund	
	2006		2005	2006	2005	2006	2005	2006	2005
	Budget (Note 6)	Actual (Schedule 1)	Actual (Schedule 1)						
Revenues	$ 3,068,900	$ 3,555,211	$ 2,910,434	$ 107,922	$ 73,883	$ 3,663,133	$ 2,984,317	$ -	$ -
Cost of sales	1,787,454	2,157,476	1,695,045	21,860	24,980	2,179,336	1,720,025	-	-
Gross profit	1,281,446	1,397,735	1,215,389	86,062	48,903	1,483,797	1,264,292	-	-
Donations	-	-	-	-	-	-	-	2,052,166	84,000
Total revenues	1,281,446	1,397,735	1,215,389	86,062	48,903	1,483,797	1,264,292	2,052,166	84,000
Expenses:									
Salaries and benefits	1,306,820	1,295,348	1,249,088	-	-	1,295,348	1,249,088	-	-
Utilities	415,000	378,958	395,206	-	-	378,958	395,206	-	-
General and administration	212,450	217,734	176,550	-	-	217,734	176,550	-	-
Amortization	80,000	73,860	38,793	-	-	73,860	38,793	16,962	20,477
Total expenses	2,014,270	1,965,900	1,859,637	-	-	1,965,900	1,859,637	16,962	20,477
(Deficiency) excess of revenues over expenses before grant	(732,824)	(568,165)	(644,248)	86,062	48,903	(482,103)	(595,345)	2,035,204	63,523
Grant from the General Revenue Fund	425,000	425,000	425,000	-	-	425,000	425,000	-	-
(Deficiency) excess of revenue over expenses	$ (307,824)	(143,165)	(219,248)	86,062	48,903	(57,103)	(170,345)	2,035,204	63,523
Fund Balances, beginning of year		(1,081,384)	(862,136)	327,223	278,320	(754,161)	(583,816)	645,055	581,532
Fund balances, end of year - to Statement 1		$ (1,224,549)	$ (1,081,384)	$ 413,285	$ 327,223	$ (811,264)	$ (754,161)	$ 2,680,259	$ 645,055

(see accompanying notes to the financial statements)

Statement 3

SASKATCHEWAN CENTRE OF THE ARTS (CONEXUS ARTS CENTRE)
STATEMENT OF CASH FLOWS
For the year ended March 31

	2006	2005
Cash flows from (used in) operating activities:		
Cash receipts from customers	$ 3,131,185	$ 3,394,764
Cash paid to suppliers and employees	(3,720,835)	(3,986,996)
Grant received	425,000	425,000
Cash flows (used in) operating activities	(164,650)	(167,232)
Cash flows (used in) investing activities		
Purchase of property, plant and equipment	(135,547)	(27,291)
Cash flows from financing activities:		
Donations	2,052,166	84,000
Net increase (decrease) in cash	1,751,969	(110,523)
Cash, beginning of year	694,186	804,709
Cash, end of year	$ 2,446,155	$ 694,186

(see accompanying notes to the financial statements)

SASKATCHEWAN CENTRE OF THE ARTS (CONEXUS ARTS CENTRE)
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2006

1. Status of Centre

The Board of the Saskatchewan Centre of the Arts is continued under *The Saskatchewan Centre of the Arts Act, 2000* (Act), to maintain, operate and manage the Saskatchewan Centre of the Arts in Regina. The Act also continued the Saskatchewan Centre of the Arts Fund through which all financial transactions are conducted which relate to accomplishing the purposes of the Act.

Effective January 1, 2006, Conexus Credit Union made a donation to the Saskatchewan Centre of the Arts in return for the naming rights of the building. The Saskatchewan Centre of the Arts building is now commonly called the Conexus Arts Centre.

The ongoing operations of the Saskatchewan Centre of the Arts are dependent on funding from the General Revenue Fund.

2. Significant Accounting Policies

These financial statements have been prepared using Canadian generally accepted accounting principles for not-for-profit organizations. The Saskatchewan Centre of the Arts follows the restricted fund method of accounting for contributions. The Saskatchewan Centre of the Arts (Centre) is comprised of three funds: Operating Fund, Impresario Fund, and Campaign Fund. The Operating Fund and Impresario Fund, known as General Funds, do not have external restrictions while the Campaign Fund is subject to external restrictions.

The Operating Fund accounts for the Centre's primary operating activities. This Fund reports unrestricted resources and holds property, plant and equipment (see Note 4).

The Impresario Fund has no external restrictions and is used for supporting and promoting the arts. The Board requires management to seek specific approval of the Board to spend the assets of the Impresario Fund.

The Campaign Fund reports assets (see Note 4), liabilities, revenues and expenses related to the Centre's campaign to raise funds to address replacement of its programming equipment and the rejuvenation of the overall appearance of the Centre. The Campaign Fund reports resources contributed and the use of those resources.

The following accounting policies are considered to be significant:

a) Revenue Recognition

For the General Funds, revenue is recognized at the date of the performance and is recorded net of payments to promoters.

Donations externally restricted to the Campaign Fund are recorded as revenue when collection is certain.

b) Grant from the General Revenue Fund

The grant provided by the General Revenue Fund through the Department of Culture, Youth and Recreation is recorded in the year received or receivable.

c) Property, plant and equipment

Property, plant and equipment are recorded at cost. Amortization is provided for using the straight-line method over the expected useful life (ranges from 3 to 5 years) of the property, plant and equipment, with a full year's amortization taken in the year of acquisition. The Centre capitalizes property, plant and equipment costing more than $5,000.

Amortization is recorded in the Fund where the related property, plant and equipment reside.

d) Inventory

Inventories of food and liquor are valued at the lower of cost and net realizable value.

3. Financial Instruments

The Centre's financial instruments include accounts receivable and accounts payable and accrued charges. The fair value of these instruments approximate their carrying value due to their immediate or short-term nature.

The Centre is exposed to credit risk from potential non-payment of accounts receivable. However, a significant amount of the receivables were received shortly after year-end reducing the credit risk.

4. Property, Plant and Equipment

a) Operating Fund

	2006			2005
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Theatre equipment	$ 399,335	$ 387,495	$ 11,840	$ 13,560
Convention & catering equipment	203,350	161,542	41,808	11,293
Office equipment	253,325	241,712	11,613	19,404
Building equipment	798,363	746,875	51,488	16,909
Bar equipment	106,945	88,818	18,127	12,023
	$ 1,761,318	$ 1,626,442	$ 134,876	$ 73,189

b) Campaign Fund

	2006			2005
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Theatre equipment	$ 174,443	$ 168,932	$ 5,511	$ 22,473
Convention & catering equipment	7,834	7,834	---	---
Building equipment	4,219	4,219	---	---
	$ 186,496	$ 180,985	$ 5,511	$ 22,473

5. Building and Site

The building and site have been leased by Saskatchewan Property Management (SPM) to the Centre for an annual rental of one dollar. The fair value of the building and site is not reasonably determinable. The terms of the lease requires the Centre to keep the building, and all other property contained therein, in good repair and condition with the provision that any major maintenance, renovations and construction project costing in excess of $5,000 shall be the responsibility of SPM. In addition, SPM is responsible for charges by the Wascana Centre for services to the land and building as stipulated under *The Wascana Centre Act*. The current lease agreement expired July 31, 2003. The Centre continues to renegotiate a new lease arrangement. Until a new lease arrangement exists, the terms and conditions of the expired lease continue.

6. Budget

These amounts represent the budget approved by the Centre's Board of Directors.

7. Related Party Transactions

Included in these financial statements are transactions with various Saskatchewan Crown corporations, departments, agencies, boards and commissions related to the Centre by virtue of common control or significant influence by the Government of Saskatchewan (collectively referred to as "related parties"). Also, the Centre is related to non-Crown enterprises that the Government jointly owns or significantly influences.

Routine operating transactions with related parties are recorded at the agreed upon rates and are settled on normal trade terms. The following table summarizes the significant routine related party transactions for the year.

	2006	2005
Accounts receivable	$ 28,424	$ 41,095
Accounts payable & accrued charges	79,709	59,910
Revenues:	786,635	462,580
Expenses:		
Utilities	381,084	430,434
Supplies, services and maintenance	8,897	9,650
Salaries and benefits	176,624	172,749

Other transactions and amounts due to and from related parties are described separately in the financial statements and the notes thereto.

The Centre collected and remitted Liquor Consumption Tax of $41,739 (2005 - $36,850) to the Saskatchewan Department of Finance. In addition, the Centre pays Provincial Sales Tax to the Saskatchewan Department of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of those purchases.

8. External Restrictions

In 1996, the Centre launched the Campaign Fund to raise funds to address replacement of its property, plant and equipment including programming equipment and rejuvenation of the overall appearance of the Centre. The Centre has raised an accumulative total of $2,901,246 (2005 - $849,080) from external sources for the Campaign Fund. The Centre has to date used an accumulative total of $286,497 including $186,497 (2005 - $186,497) to purchase capital assets and $100,000 (2005 - $100,000) to settle a dispute with SPM for repayment of repairs and maintenance to the building. The balance, $2,614,749 (2005 - $562,583), remains externally restricted to acquire capital assets and to rejuvenate the overall appearance of the Centre.

Under section 24(7) of *The Saskatchewan Centre of the Arts Act, 2000*, the Board is not bound by the directions of any person making a contribution to a restricted fund but the Board shall consider the directions of the person who makes such a contribution. The Board has agreed to honour the restrictions placed by donors.

9. Internally Restricted Funds

In 1997/98, the Board of Directors restricted the use of $59,999 of the net assets available in the Impresario Fund for capital purposes and transferred that amount to the Campaign Fund. Also the Board has restricted the use of $413,285 (2005 - $327,223) of the net assets available in the Impresario Fund. Accordingly, these net assets are not available for Operating Fund purposes without the approval of the Board.

10. Due to (from) Other Funds

The Centre used net assets of the Campaign Fund and the Impresario Fund to finance activities of the Operating Fund. At March 31, 2006 the Operating Fund owed a total of $641,878 to the Campaign Fund. The Operating Fund does not pay interest on these amounts and no formal arrangements, including repayment terms, are in place for the amounts borrowed.

Schedule 1

SASKATCHEWAN CENTRE OF THE ARTS FUND (CONEXUS ARTS CENTRE)
SCHEDULE OF REVENUE AND COST OF SALES FOR THE OPERATING FUND
FOR THE YEAR ENDED MARCH 31

	2006		2005
	Budget (Note 6)	Actual	Actual
Revenue:			
Catering	$ 1,163,200	$ 1,517,769	$ 1,202,367
Refreshment bar	407,000	467,115	394,215
Rentals	513,000	621,122	466,383
Commissions	150,000	121,759	140,694
Coat check	23,700	25,958	22,331
Car park	12,000	14,577	12,771
Investment income	8,500	11,977	6,302
Sundry	24,000	19,674	23,710
Office rental	53,500	53,426	53,426
Service charges	714,000	701,834	588,235
Total revenues	**3,068,900**	**3,555,211**	**2,910,434**
Cost of sales:			
Food & beverage	523,250	610,183	529,558
Salaries & benefits	904,124	1,058,254	820,924
Supplies, services, and maintenance	262,135	348,491	240,954
Other	97,945	140,548	103,609
Total cost of sales	**1,787,454**	**2,157,476**	**1,695,045**
Gross profit	**$ 1,281,446**	**$ 1,397,735**	**$ 1,215,389**